

EXHIBIT N

Bloomberg.com

BloombergAnywhere | SoftwareSupport | Feedback

LOGIN/REGISTER

Updated: New York, Jan 04 14:21
London, Jan 04 19:21

Tokyo, Jan 05 04:21

Search News GO

Enter Symbol

QUOTE

CHART

NEWS

SYMBOL
LOOKUP

Stocks Fall on U.S. Outlook; Topix Has Worst New Year Opening on Record

Sentiment Aggressive FundExclusively available at www.FXCM.com

Past performance is not an indicator of future results.

LEARN MORE

Since Inception (July - October 2007)

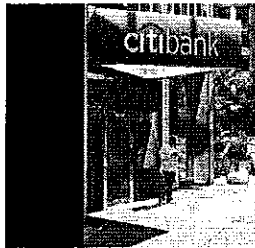
Up **52.2%****FXCM**WWW.FXCM.COMCURRENCY TRADING INVOLVES
SIGNIFICANT RISK OF LOSS

HOME NEWS MARKET DATA INVESTMENT TOOLS TV and RADIO ABOUT BLOOMBERG CAREERS CONTACT US

news**Citigroup May Cut Dividend by 40%, Goldman Sachs Says (Update4)**

By Adam Haigh and Elizabeth Hester

- [Exclusive](#)
- [Worldwide](#)
- [Regions](#)
- [Markets](#)
- [Economy](#)
- [Politics](#)
- [Industries](#)
- [Opinion](#)
- [Invest](#)
- [Sports](#)
- [Muse](#)
- [Spend](#)
- [Audio/Video Reports](#)
- [Bloomberg Markets Magazine](#)
- [Special Report](#)

[More Photos/Details](#)

Dec. 27 (Bloomberg) -- Citigroup Inc., the biggest U.S. bank, may cut its dividend 40 percent to preserve capital and write down more fixed-income securities than it has told investors to expect, according to Goldman Sachs Group Inc.

JPMorgan Chase & Co., the third-largest U.S. bank by assets, may write off \$3.4 billion in fixed-income securities in response to the collapse of the subprime

mortgage market, double Goldman's previous estimate, analysts led by William Tanona said in a report on the companies dated Dec. 26.

Citigroup is trying to preserve capital and may be forced to write off \$18.7 billion in collateralized debt obligations, up from its Nov. 4 estimate of as much as \$11 billion, Tanona wrote in the report. The New York-based bank, which paid out 54 cents each quarter this year, will have to raise \$6.2 billion in extra capital to reach its target, he wrote. JPMorgan would still have about \$5 billion in CDO exposure after its writedown, he said.

"It will be a couple of quarters before the current credit crisis is fully digested by the markets," wrote Tanona, who has a "sell" rating on Citigroup's stock and a "neutral" rating on JPMorgan. "Given the magnitude of the writedowns we assume and Citi's remaining exposure, we believe the firm has a serious need to preserve or raise additional capital."

Citigroup Chief Executive Officer Charles O. "Chuck" Prince III stepped down last month and the bank got a \$7.5 billion investment from Abu Dhabi's sovereign wealth fund after predicting further losses.

Merrill Estimate

Writedowns at the biggest banks are still likely to be "significantly larger than investors are anticipating," wrote Tanona, who also doubled his estimate for charges at New York-based Merrill Lynch & Co., the third-largest U.S. securities firm by market value.

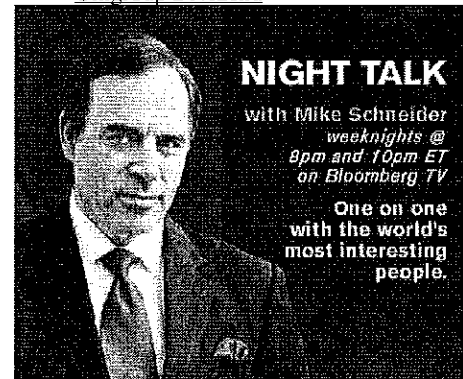
Citigroup, which has fallen 47 percent this year in New York trading, dropped 71 cents to \$29.74 on the New York Stock Exchange at 9:41 a.m. JPMorgan, down 7.9 percent this year, fell 46 cents to \$44.48.

Citigroup tumbled 8.1 percent on Nov. 1 after CIBC World Markets analyst Meredith Whitney said it may have to trim its dividend. Deutsche Bank AG analyst Michael Mayo also predicted a dividend cut, saying the investment from Abu Dhabi is "probably not enough" to absorb credit losses.

The company pays a dividend equal to 7.1 percent of its stock price, more than

Related Media on Demand

- [12/11 Whitney Says Citigroup Will Have to Cut Dividend](#)
- [Foerster Calls for 'Major Surgery' on Citigroup Dividend](#)

**NIGHT TALK**

with Mike Schneider
weeknights @
8pm and 10pm ET
on Bloomberg TV

One on one
with the world's
most interesting
people.

More News

- [Employment in U.S. Increases Less Than Forecast; Jobless Rate Climbs to 5%](#)
- [U.S. Stocks Tumble as Jobs Report Signals U.S. Growth Slowing; Intel Drops](#)
- [Treasury Post Best Start to a Year Since 2001 After Jobless Rate Rises](#)

RESOURCES

- [Bloomberg TV](#)
- [Bloomberg Radio](#)
- [Bloomberg Podcasts](#)
- [Bloomberg Press](#)

CDO Investments

The biggest financial institutions have had to mark down more than \$80 billion after a surge in U.S. subprime mortgage defaults prompted investors to shun higher-risk debt. Citigroup, which picked former Morgan Stanley President Vikram Pandit to succeed Prince, will still have about \$24.5 billion in CDO investments after the writedown, Goldman said.

Tanona estimated that Merrill, which replaced CEO Stan O'Neal with John Thain, may write off \$11.5 billion, compared with an earlier estimate of \$6 billion.

"Many of the December year-end firms are likely to be more aggressive with their marks," Tanona wrote. "Particularly those with high levels of exposure such as Citi and Merrill Lynch, both of whom have new CEOs at their helms."

Separately, Sanford C. Bernstein & Co. analyst Brad Hintz estimated in a note dated today that Merrill will have a CDO-related writedown of \$10 billion in the fourth quarter.

To contact the reporters on this story: Adam Haigh in London at ahaigh1@bloomberg.net; Elizabeth Hester in New York at chester@bloomberg.net.

Last Updated: December 27, 2007 10:02 EST

[News tools](#) [Email this article](#) [Printer friendly format](#)
[Advertisement: Learn to trade currency](#)

[Lowernybilis](#)

[Fed Killing the Dollar?](#)

Learn How to Profit From the Credit Crisis! Multiply Money up to 30x
MoneyAndMarkets.com

[See Todays Mortgage Rates](#)

\$180,000 Mortgage for \$999/mo. Calculate Your New Mortgage Payment
www.Mortgage-Rates.lowernybilis.com

[Alternative Energy Stocks](#)

3 Ways to Harness the Power of Alternative Energy Stocks. Read Now
www.WhiskeyandGunpowder.com/Energy

[Oil & Gas Investment](#)

Oil & gas rig to move on site. Investment opportunity still open.
FossilOilandGas.com

Bloomberg.com

[NEWS](#) | [MARKET DATA](#) | [INVESTMENT TOOLS](#) | [TV AND RADIO](#) | [ABOUT BLOOMBERG](#) | [CAREERS](#) | [CONTACT US](#) |

[LOG IN/REGISTER](#)

©2008 BLOOMBERG L.P. ALL RIGHTS RESERVED. [Terms of Service](#) | [Privacy Policy](#) | [Trademarks](#) | [Site Map](#) | [Help](#) | [Feedback](#) | [Advertising](#) | [□□□□□□](#)



For Immediate Release
Citigroup Inc. (NYSE: C)
December 13, 2007

Citi Commits Support Facility for Citi-Advised SIVs

NEW YORK - Citi announced today that it has committed to provide a support facility that will resolve uncertainties regarding senior debt repayment currently facing the Citi-advised Structured Investment Vehicles ("SIVs").

This action is a response to the recently announced ratings review for possible downgrade by Moody's and S&P of the outstanding senior debt of the SIVs, and the continued reduction of liquidity in the SIV related asset-backed commercial paper and medium-term note markets. These markets are the traditional funding sources for the SIVs. Citi's actions today are designed to support the current ratings of the SIVs' senior debt and to allow the SIVs to continue to pursue their current orderly asset reduction plan. As a result of this commitment, Citi will consolidate the SIVs' assets and liabilities onto its balance sheet under applicable accounting rules.

Several key factors further contributed to Citi's decision to make this commitment:

- The SIVs continue to successfully pursue alternative funding strategies, primarily asset reductions, to meet maturing debt obligations. The SIV assets (net of cash and cash equivalents) have been reduced from \$87 billion in August 2007 to \$49 billion currently, while maintaining the overall high credit quality of the portfolio. Citi expects orderly asset reductions will be sufficient to meet liquidity requirements through the end of 2008, which currently total \$35 billion. Consequently, Citi expects little or no funding requirement from the facility.
 - As assets continue to be sold, Citi's risk exposure, and the capital ratio impact from consolidation, will be reduced accordingly.
 - Given the high credit quality of the SIV assets, Citi's credit exposure under its commitment is substantially limited. Approximately 54% of the SIV assets are rated triple-A and 43% double-A by Moody's, with no direct exposure to sub-prime assets and immaterial indirect sub-prime exposure of \$51 million. In addition, the junior notes, which have a current market value of \$2.5 billion, are in the first loss position.
 - Taking into account this commitment, Citi still expects to return to its targeted capital ratios by the end of the second quarter of 2008. Based on September 30, 2007 capital ratio disclosures and applying the current asset levels in the SIVs, the estimated impact of this action would have been approximately 16 basis point decline in the Tier 1 capital ratio and approximately 12 basis point decline in the TCE/RWMA ratio.
-

“Our team has made great progress managing the SIVs in a very difficult environment. After considering a full range of funding options, this commitment is the best outcome for Citi and the SIVs,” said Vikram Pandit, Citi’s Chief Executive Officer.

The terms of this committed facility will be finalized in early 2008 and will reflect market terms.

The commitment is independent of the “Master Liquidity Enhancement Conduit” (“M-LEC”). Citi continues to support the formation of the M-LEC, which is an initiative that involves Citi and other financial institutions.

Attached are additional fact sheets regarding the SIVs and the committed support facility.

###

Citi, the leading global financial services company, has some 200 million customer accounts and does business in more than 100 countries, providing consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, and wealth management. Citi’s major brand names include Citibank, CitiFinancial, Primerica, Smith Barney and Banamex. Additional information may be found at www.citigroup.com or www.citi.com.

Certain statements in this document are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from those included in these statements due to a variety of factors. More information about these factors is contained in Citigroup's filings with the Securities and Exchange Commission.

Media Contacts:	Christina Pretto	(212) 559-9560
	Michael Hanretta	(212) 559-9466
	Shannon Bell	(212) 793-6206

Investors:	Arthur Tildesley	(212) 559-2718
------------	------------------	----------------

Fixed Income Investors:	Maurice Raichelson	(212) 559-5091
-------------------------	--------------------	----------------

ADDITIONAL FACTS ON THE CITI-ADVISED SIVs**Profile of the SIV assets and liabilities as of December 12, 2007:**

	Average Asset Mix	Average Credit Quality ^(1,2)		
		Aaa	Aa	A
Financial Institutions Debt	60%	14%	43%	3%
Sovereign Debt	1%	1%		
Structured Finance:				
MBS - Non-U.S. residential	12%	12%		
CBOs, CLOs, CDOs	6	6		
MBS - U.S. residential	7	7		
CMBS	3	3		
Student loans	5	5		
Credit cards	5	5		
Other	1	1		
Total Structured Finance	39%	39%		
Total Assets	100%	54%	43%	3%

- The weighted average maturity of the assets is 3.7 years

(1) Based on Moody's ratings.

(2) The SIVs have no direct exposure to U.S. sub-prime assets and have approximately \$51 million of indirect exposure to sub-prime assets through CDOs which are AAA rated and carry credit enhancements.

	Amount Outstanding	Average Rating	Average Maturity
Commercial Paper	\$10B	A-1+/P-1	2.4 months
Medium Term Notes	48B	AAA/Aaa	10.1 months

OTHER INFORMATION

- Through asset reductions, the SIVs have partially repaid the previously disclosed \$10 billion commitment to purchase commercial paper. As a result, Citi now holds \$7.2 billion of commercial paper issued by the SIVs as of December 12, 2007. Citi expects the SIVs to fully repay the commercial paper at or before the last maturity date in mid-March 2008. Following the final maturity date, the new facility is expected to be the sole commitment by Citi to the SIVs.
- The Citi-advised SIVs are: Beta, Centauri, Dorada, Five, Sedna, Vetra and Zela.

ADDITIONAL FACTS ON THE COMMITTED SUPPORT FACILITY

FINANCIAL AND ACCOUNTING IMPACT

- From an accounting perspective:
 - Upon consolidation and on an ongoing basis, the SIV assets and liabilities will be accounted for at fair value.
 - Any losses resulting from changes in the market values of the assets and liabilities are first borne by the junior note holders up to the value of their investments, which had a market value of \$2.5 billion on December 12, 2007.
 - The total value of the assets and liabilities on December 12, 2007, were each \$62 billion, which includes cash and cash equivalents of \$13 billion in the assets and the \$2.5 billion of junior notes in the liabilities.
- From an economic perspective:
 - The size and terms of the facility will be determined in early 2008 and will reflect market terms.
 - The size of the facility will vary through the life of the facility and will depend on a number of factors, including the SIVs' repayment of maturing debt obligations.